



GENERAL ASSEMBLY

COMMONWEALTH OF KENTUCKY

2005 REGULAR SESSION

HOUSE BILL NO. 241

WEDNESDAY, FEBRUARY 23, 2005

The following bill was reported to the Senate from the House and ordered to be printed.

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TREY GRAYSON
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY Kathie Adkinson

AN ACT relating to the Capital Construction and Equipment Purchase Contingency Account.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

1 Section 1. KRS 45.770 is amended to read as follows:

2 (1) There is created within the capital construction fund the capital construction and
3 equipment purchase contingency account. The account shall consist of moneys
4 appropriated to the account by the General Assembly.

5 (2) Money in the capital construction and equipment purchase contingency account
6 may be transferred to the allotment account of a capital construction project,
7 authorized by the General Assembly under KRS 45.760, subject to the following
8 conditions and procedures:

9 (a) Except as provided in paragraphs (b) and (c) of this subsection, during any
10 biennium, the amount that may be transferred from the capital construction
11 and equipment purchase contingency account to the allotment account of an
12 authorized project shall not exceed an amount equal to fifteen percent (15%)
13 of the estimated cost of the project, for that biennium, approved by the
14 General Assembly in the manner provided by KRS 45.760.

15 (b) Subject to paragraph (c) of this subsection, if the cost of an authorized project
16 exceeds, by more than fifteen percent (15%), its estimated cost, as approved
17 by the General Assembly, due to an unforeseen decision by a federal or state
18 court or regulatory agency, moneys in excess of fifteen percent (15%) of the
19 estimated cost of the project may be transferred from the capital construction
20 and equipment purchase contingency account to the allotment account of the
21 project.

22 (c) The Finance and Administration Cabinet shall, prior to making any transfer
23 under this subsection, present the proposed transfer to the Capital Projects and
24 Bond Oversight Committee, at least fourteen (14) days prior to the committee

1 meeting, for review as provided by KRS 45.800. Presentation of a proposed
2 transfer under paragraph (b) of this subsection shall include written
3 certification to the committee from the commissioner of the Department for
4 Facilities Management, Finance and Administration Cabinet, that the transfer
5 is necessitated by cost increases resulting from an unforeseen decision by a
6 federal or state court or regulatory agency.

7 (3) Money in the capital construction and equipment purchase contingency account
8 may be transferred to the allotment account of a major item of equipment,
9 authorized by the General Assembly under KRS 45.760, for expenditure on that
10 item subject to the following conditions and procedures:

11 (a) Except as provided in paragraphs (b) and (c) of this subsection, during any
12 biennium, the amount that may be transferred from the capital construction
13 and equipment purchase contingency account to the allotment account of an
14 authorized major item of equipment shall not exceed an amount equal to
15 fifteen percent (15%) of the estimated cost of the item, for that biennium,
16 approved by the General Assembly in the manner provided by KRS 45.760.

17 (b) If the cost of an authorized major item of equipment exceeds, by more than
18 fifteen percent (15%), its estimated cost, as approved by the General
19 Assembly, due to an unforeseen decision by a federal or state court or
20 regulatory agency, moneys in excess of fifteen percent (15%) of the estimated
21 cost may be transferred from the capital construction and equipment purchase
22 contingency account to the allotment account of the item.

23 (c) The Finance and Administration Cabinet shall, prior to making any transfer
24 under this subsection, present the proposed transfer to the Capital Projects and
25 Bond Oversight Committee, at least fourteen (14) days prior to the committee
26 meeting, for review as provided by KRS 45.800. Presentation of a proposed
27 transfer under paragraph (b) of this subsection shall include written

certification to the committee from the secretary of the Finance and Administration Cabinet that the transfer is necessitated by cost increases resulting from an unforeseen decision by a federal or state court or regulatory agency.

(4) **Money in the capital construction and equipment purchase contingency account may be transferred to a capital project account to be used for nonrecurring moving expenses of state agencies to address issues of public health and safety or governmental efficiency, subject to the following conditions and procedures:**

(a) The Finance and Administration Cabinet shall, prior to making any transfer under this subsection, present the proposed transfer to the Capital Projects and Bond Oversight Committee, at least fourteen (14) days prior to the committee meeting, for review as provided by KRS 45.800.

(b) Presentation of a proposed transfer shall include written certification to the committee from the secretary of the Finance and Administration Cabinet that the moving costs are nonrecurring, and describing the specific benefits, including but not limited to fiscal and efficiency savings associated with the proposal.

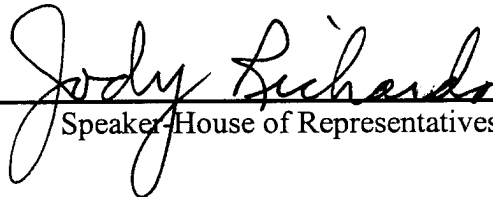
(c) No transfer shall be used for capital improvements.

(5) No later than thirty (30) days after a project has been accepted by the Commonwealth of Kentucky and the contracts encumbered against that project have been closed, moneys constituting the available balance in the project or equipment account shall be transferred as follows:

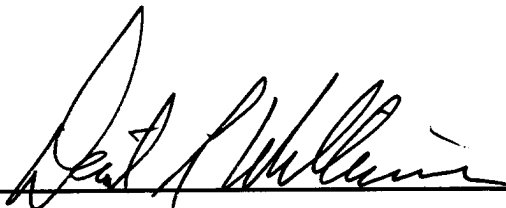
(a) If the project was a line item in the budget and not funded with road funds, then the balance shall be transferred to the capital construction surplus account.

(b) If the project was a line item in the budget and funded with road funds, then the balance shall be transferred to the road fund surplus account.

- 1 (c) If the project was completed within the biennium in which it was authorized,
2 and if the project was funded from a major maintenance pool, then the balance
3 shall be transferred to that major maintenance pool.
- 4 (d) If the project was not completed within the biennium in which it was
5 authorized, without being expressly reauthorized by a succeeding session of
6 the General Assembly, then the balance shall be transferred to the capital
7 construction surplus account.



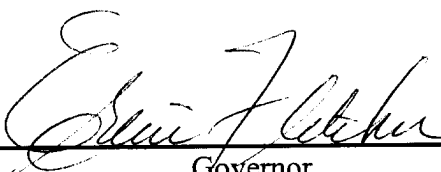
Speaker House of Representatives



President of the Senate

Attest: 

Chief Clerk of House of Representatives

Approved 

Governor

Date 